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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D C 20548

MANPOWER AND WELFARE
DIVISION

JUL 12 1973

Mr. Bert Gallegos
Acting Deputy Director
Office of Economic Opportunity

Dear Mr. Gallegos:

We have reviewed the manpower services provided by four community action agencies (CAAs)--located in the States of California, Massachusetts, Mississippi, and Texas. The CAAs were funded by the Office of Economic Opportunity (OEO), under title II of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2701).

The purpose of this letter is to bring to your attention the shortcomings noted and our observations on the manpower operations of these CAAs.

We are providing a copy of this letter to the Department of Labor as we believe it may be of assistance in the Department's future dealings with CAAs.

PROGRAM OPERATIONS AND RESULTS

Approximately \$18 million were used by CAAs during fiscal year 1972 to provide manpower services. The four CAAs reviewed received Federal funds of approximately \$2.6 million for manpower programs--from September 1970 through February 1972--ranging from about \$300,000 to approximately \$1.1 million. Improvements are needed, however, if available resources are to be used in a more effective and efficient manner.

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The four CAA manpower programs provided a number of services to the disadvantaged, including recruitment of individuals into manpower programs, counseling and supportive services, job training, job development and placement, and follow-up counseling to help insure that an individual remains in a training program or job.

RECRUITING

Recruiting methods used by the CAAs included (1) direct recruiting by the CAA's staff, (2) referrals by individuals currently and formerly enrolled in the program or local employees, and (3) referrals from other agencies and community groups.

Two of the CAAs were fairly successful in recruiting into their programs the number of individuals anticipated. However, the remaining two CAAs recruited only 52 and 48 percent of their respective goals. In addition, we noted instances where income information on individuals was missing from the CAAs' records and, in some cases, established eligibility criteria were not followed in selecting individuals. Instances were also noted where pertinent information such as an individual's previous work experience and education were missing and information relating to services provided was fragmentary and incomplete.

Information relating to individuals' prior work experience and education would be useful in helping to determine whether individuals should be referred to manpower training programs or to available jobs for which they are qualified. Also, enforcing eligibility criteria and obtaining income information should insure that manpower training funds are directed toward assisting those persons most in need of such training.

COUNSELING AND SUPPORTIVE SERVICES

We were unable to determine the quality and content of counseling from CAA records because counseling sessions that were conducted generally were not documented. At two of the manpower sites of one CAA, personnel advised us that a

counseling session would be documented only if a problem arose which would require disciplinary action. Another CAA did not document counseling sessions, the case histories of individuals at one CAA did not contain enough evidence to determine counseling needs, and at one other CAA, the recording of services, such as counseling, did not contain details as to problems, actions taken, or actions needed. Our review of CAAs' records and interviews with individuals at three of the CAAs showed that for 239 individuals 115 or 48 percent did not receive counseling

Many individuals were not receiving counseling and in some cases were unaware that counseling was available, professional counseling was not available at one CAA, the aptitudes and interests of individuals were not always determined and included in vocational plans, and at one CAA individuals seeking direct employment generally did not receive counseling.

Evaluation of individuals' capabilities was performed on a limited basis and services called for in individuals' vocational plans were not being provided in many cases at three of the CAAs.

Although one CAA indicated in its grant documents that supportive services--including legal assistance, emergency medical care, and emergency transportation--would be provided, they were not. An official of the CAA stated that individuals in need of supportive services were referred to other agencies that could provide the needed services. The CAA, however, maintained no records of referrals to other agencies for supportive services.

There was some evidence that supportive services were provided at two CAAs, however, these were not adequately documented.

In order to help identify trainee employment problems and provide assistance to resolve such problems, counseling should be provided on a regularly scheduled basis to individuals placed in training programs and jobs and be adequately documented in

the individuals' files. Also, the types of supportive services needed and the action taken to assist individuals in obtaining such services should be documented

JOB TRAINING

Job training programs are designed to provide an individual with a skill or familiarize him with those attributes necessary to obtain and retain employment.

Two CAAs offered pre-employment training courses aimed at preparing individuals for employment by instilling confidence, providing attitudinal and motivational development, informing individuals about job attendance, personal appearance, job interviewing, and providing individuals with a specific skill. Day and evening classes were held and generally the CAAs provided stipends to individuals enrolled in the program

Through agreements with local employers, two CAAs provided on-the-job training for individuals in various skill areas such as auto-body repair and painting, clerical work, laboratory research, carpentry, masonry, and ladies handbag manufacturing. The employers were to hire those individuals who successfully completed the training program.

The CAAs generally failed, however, to develop standards to be used in evaluating individuals' progress and determining when an individual had satisfactorily completed training. Also, in some cases the CAAs did not maintain accurate information concerning training program dropouts, completions, and placements and did not receive status and information from schools and other training facilities in which individuals were placed

Establishing appropriate standards to measure an individual's progress and to determine when individuals have completed training, developing accurate information, as mentioned above, so that the various training programs can be evaluated, and developing a system for receiving status and progress information from

businesses, schools, and other community training facilities in which individuals are placed would assist in evaluating both the individual's progress and the achievements of training programs.

JOB DEVELOPMENT

The job development activities of three of the CAAs generally were adequate in finding job openings for individuals who completed job training, in identifying jobs for unskilled individuals, and in some instances assisting in restructuring the hiring patterns of local employers. However, the CAAs' management generally did not have information to measure the effectiveness of the job development activities. One CAA had no records from which we could determine the number of jobs developed and at another CAA there was no coordination within the CAA program operations and, as a result, there was no assurance that jobs developed would meet the needs of individuals applying for manpower services.

Job development activities can be more effective if (1) they are coordinated with job development efforts of agencies providing similar services, (2) information is maintained to measure the effectiveness of job development activities, and (3) they are coordinated with other manpower functions so that jobs developed will meet the needs of individuals participating in manpower programs.

JOB PLACEMENTS

At the four CAAs job placement records and reports were not always accurate or complete, nor were they always consistently maintained. The number of jobs placements, in many cases, had been overstated or could not be documented. In some cases the CAAs recorded as job placements referrals to training programs and jobs obtained by individuals on their own initiative. Also, the CAAs did not verify, in many cases, that individuals referred to jobs actually reported for work.

Employers indicated that they were generally satisfied with the job performance of CAA placements stating that these

individuals were performing as well as or better than employees hired from other sources. However, we noted that many individuals originally hired were no longer working. Employers' responses and our review of CAA records revealed that, of 202 individuals originally hired, 94 or 47 percent were no longer working. Seventeen of 45 placements of one CAA and 21 of 31 placements of another CAA held their jobs for less than 3 months, and 25 of 46 placements of one other CAA did not retain their jobs for over 6 months.

More accurate, complete, and consistent classification and recording of job placement information would be of assistance in assessing the effectiveness of manpower programs and insuring more reliable and informative reporting of program accomplishments.

FOLLOW-UP SERVICES

Three of the CAAs made some follow-up contacts with individuals who had been placed in jobs or with their employers to identify problems or assist individuals in meeting employment requirements. The remaining CAA did not establish an active follow-up program. The contacts generally were not being made in the manner and to the extent called for in OEO and CAA procedures. Also, contacts that were made were not always timely or adequately documented. As a result, the CAAs were not obtaining information needed to determine the reasons why individuals left their jobs.

At one CAA, trainer coaches were responsible for accompanying individuals to job interviews and also for on-the-job counseling of individuals immediately after placement and during the initial weeks of work. In addition, follow-up workers were to visit individuals at intervals of 1, 3, and 6 months after job placement to determine the work status of individuals, to provide counseling, and to encourage individuals to stay on their jobs. The results of interviews with individuals were to be made a part of the individuals' permanent records. Our review revealed that evidence of follow-up contacts was not always available in individuals' folders. CAA officials could not explain the absence

of follow-up documentation. The officials advised us that the large number of persons to be followed up in relation to the small number of staff responsible for the contacts precluded follow-up at the prescribed intervals.

Although we recognize that follow-up contacts are relatively costly, in situations where responsible program officials consider them worthwhile to the success of the program they should be made on a regular basis and documented. This would help insure that individuals were provided with the assistance necessary for their obtaining and retaining stable employment.

PROGRAM MANAGEMENT

MONITORING

The CAAs have performed some program monitoring but due to a lack of information on program activities, the effectiveness of program accomplishments was difficult to evaluate. Also, deficiencies noted during the monitoring activities of one CAA were not corrected in a timely manner.

One CAA had established its own monitoring process to review the manpower activities of its employment centers. This monitoring consisted of reviews of individuals' folders to determine the quality of services provided, reviews of internal procedures and statistical reports, and an analysis of the knowledge and ability of individual staff members in the centers.

The results of these reviews included such things as the futility of referring individuals to dead-end jobs, the lack of follow-up on individuals who were not serviced on their first visit, the inaccuracy of reported hires, poor utilization of the trainer coach concept, lack of good referrals to jobs, the lack of evidence of follow-up either of placements or non-placements, and the heavy applicant flow which possibly affected the quality of service provided to individuals.

Although the establishing of this monitoring process by the CAA is commendable, the CAA was hesitant in allocating resources to correct deficiencies noted. Many of the deficiencies noted during the CAA's monitoring were also found during our review of individuals' folders and in the individuals' responses to our questionnaires.

Another CAA implemented a monitoring program and reviews were made of various programs, including manpower. CAA officials stated that they were neither satisfied with the participation of monitoring team members nor the results obtained.

COORDINATION WITH OTHER MANPOWER AGENCIES

We noted that other manpower programs were being carried out in the same areas serviced by the CAAs. For example, state manpower programs were established to provide a full range of employment services, including special efforts directed at the needs of disadvantaged persons. Generally, the CAAs failed to formally coordinate their efforts or document the extent to which the state employment services were being utilized.

Information obtained during our review indicated that a wide range of manpower services are provided by state employment agencies. For example, in one area serviced by a CAA, there was also a state employment agency whose mission was to provide a full range of employment services, including special efforts for the needs of disadvantaged persons, job development, and job placement. The state agency was equipped to provide intake and assessment, counseling, referral to work training programs, and follow-up services.

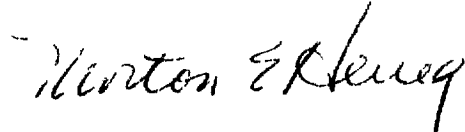
We did not evaluate the state agency's effectiveness in providing services to poor and minority group persons. However, we found no evidence that the CAA's job development and placement efforts were filling a gap in the services available from the state agency. Moreover, we noted that the state agency was

not consulted in the planning of the CAA's manpower program. We discussed this matter with the CAA's executive director who stated that he believed that the state agency was serving the disadvantaged in the area and that the CAA will have to examine its manpower efforts to assure that future programs provide manpower services not included in the state agency's manpower program

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We will be happy to meet with you or your staff to discuss our findings if you desire.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Morton E. Henig".

M. E. Henig
Associate Director